Question for oral answer O-000056/2016

to the Commission

Rule 128

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on behalf of the S&D Group

Subject: Foreign currency loans

As guardian of the European Treaties, the Commission is responsible for ensuring that EU law is applied correctly. The drafting and adoption of measures on the part of some Member States to oblige financial institutions to convert retrospectively foreign currency loans into local currency loans requires an assessment of whether these measures are compatible with the general principles of EU law. Directive 98/34/EC, newly codified in Directive (EU) 2015/1535, obliges Member States to communicate immediately to the Commission any draft regulation that does not pertain to the transposition of adopted EU law or international law. The Commission's prerogative to comment on, and propose amendments to, any notified draft regulation is intended to ensure the smooth functioning of the internal market and to lessen any adverse effects to the free movement of services and capital.

1. Has the Commission been informed about national draft regulations that result in obligations for a retrospective conversion of foreign currency loans? If so, in which instances has it received such information? Has the Commission exercised its prerogative to comment on these draft regulations and to propose amendments to them?

2. How, in the Commission's view, may a retrospective national requirement for loan conversions at a non-market exchange rate be in line with general principles of EU law, such as the freedom of capital and the freedom of establishment? In this regard, how does the Commission evaluate the implementation of Directive 2014/17/EU, which does allow additional national regulations on foreign currency loans, but clearly states that such national regulations shall not be applied with a retrospective effect?

3. Does the Commission agree that any national obligation for a retrospective conversion of loans at a non-market exchange rate bears a substantial risk that the confidence of investors in the internal market is harmed, in particular as the legal certainty of investments is affected in a negative way? What guidance measures does the Commission plan to introduce in order to prevent that such risks arise from national legal measures pending in the Member States?

4. What conclusions does the Commission draw from the ECJ ruling on case C-312/14, which states that certain foreign currency transactions relating to loan agreements are not yet covered by EU legislation?

Tabled: 4.4.2016